



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Consider Waste Management's Proposal to Provide \$1,000,000 for Grape Bowl Renovation

MEETING DATE: April 7, 2010

PREPARED BY: City Manager

RECOMMENDED ACTION: Accept Waste Management's proposal to provide \$1,000,000 for Grape Bowl renovation.

BACKGROUND INFORMATION: Waste Management has offered a conditional proposal to provide \$1 million dollars for the renovation of the Lodi Grape Bowl. According to Waste Management, the *"proposal is guided by our long-standing business relationship with the City of Lodi and the many Waste Management employees and their family members, who have shared the privilege of competing on the Grape Bowl turf or sitting in the stands as cheering fans for so many decades."*

In brief, Waste Management is proposing to provide a total of \$1 million dollars for Grape Bowl renovations to be paid in installments over eight years. An initial \$100,000 will be paid as soon as practical, and then, commencing January 2011, 84 monthly installments until completed. As a part of this proposal, contingent upon customer satisfaction, Waste Management requests that the City Council now grant the optional seven-year franchise renewal commencing in 2024.

The Recreation Commission proposes these funds be used for field improvements, complete construction of new handicapped-accessible restrooms, complete construction of new handicapped-accessible concession stands, and then other facility improvements as funds may be available.

It is envisioned that if this proposal is accepted that money would be advanced from the Park Impact Fee Program for immediate renovations and then repaid, with interest, as Waste Management makes good on its commitments.

If the Council should choose to decline Waste Management's proposal, the current franchise agreement will remain in affect without change and the city will have the option of renewing its agreement with Waste Management in 2024. It is assumed that fund-raising for the Grape Bowl will continue, but the lack of this funding would be noticeable with the absence of permanent handicapped-accessible restrooms and concession stands.

No offer related to naming rights has been made or requested. However, this proposal would establish the minimum floor for the value of naming rights.

Please see attached letter

APPROVED: 
Blair King, City Manager

FISCAL IMPACT: One million dollars for the Grape Bowl would be provided over eight years. Waste Management has requested that the optional franchise extension scheduled for **2024** be granted now, conditioned upon customer satisfaction. Additionally, if the City chooses to increase the Industrial Waste Haulers Permit (a fee required of haulers that serve industrial customers that is currently \$500 per year) Waste Management would not oppose an increase. To implement this increased fee for waste haulers, the City Council would need to take separate action and impose the fee upon all waste haulers operating in Lodi. This action is not envisioned to be taken any sooner than **2018**.


Blair King
City Manager

Attachments

RECEIVED

MAR 25 2010

CITY MANAGER'S OFFICE



Central Valley Waste Services, Inc.
A WASTE MANAGEMENT COMPANY

1333 E. Turner Road
P.O. Box 241001
Lodi, California 95241-9501
(209) 369-8274
(209) 369-6894 Fax

March 24, 2010

Mr. Blair King
City Manager
City of Lodi
221 W. Pine Street
Lodi, CA 95240

SUBJECT: LODI GRAPE BOWL RENOVATION FEE

Dear Mr. King

After thoughtful consideration of the City's request that Waste Management invest in the future of the City by financially participating in the renovation of the Lodi Grape Bowl, Waste Management is pleased to offer the City the following proposal.

Our proposal is guided by our long-standing business relationship with the City of Lodi and the many Waste Management employees and their family members, who have shared the privilege of competing on the Grape Bowl turf or sitting in the stands as cheering fans for so many decades.

Our proposal is as follows:

Waste Management would pay the City \$1,000,000.00 in fees, specifically designated to renovate the Lodi Grape Bowl, subject to the following terms:

WM would make an initial payment of \$100,000.00 on or before _____, 2010; and WM would pay the remaining \$900,000.00 in 84 equal monthly installments of \$10,714.29, with the first monthly payment due on January 15, 2011 and subsequent monthly payments due on the same day in the following 83 months. If the scheduled due date for the monthly payment is not a business day, then the due date would be delayed until the next business day. The City would bill Waste Management for the initial and monthly payments, and the City would deposit the payments in its Grape Bowl Renovation Fund Account. Waste Management's payment obligations would cease if the Collection Agreement were terminated.

2. The City would agree to amend Section 38(b) (Term of Agreement) of the Collection Agreement to insert the following sentence in between the first and second sentences: 'Contractor shall have the unilateral option to renew 'this Agreement one additional time after exercising the first option set forth above. Contractor's second unilateral extension will be for an additional term of seven years commencing January 1, 2024 and ending December 31, 2030, which Contractor may exercise by giving the City notice thereof not later than December 31, 2022.'

3. Subsequent to January 1, 2018, the Contractor would provide reasonable support to the City in its effort to implement an Industrial Waste Haulers Permit Fee structure with a fee of up to \$100,000.00 for a permit term of five years. The permit fee would be non-refundable and non-transferable. The permit to haul Industrial Waste would be valid within the incorporated city limits of Lodi. Industrial Waste Hauler permittees would obtain, at their own expense, all permits and licenses required by Federal, State, and local laws and ordinances and maintain same in full force throughout the term of the permit.
4. As required by Section 5.q. of the Collection Agreement, Contractor would maintain quality of service throughout the term of the agreement. When the Contractor exercises a renewal option under Section 38(b) (as amended above), Contractor would submit a report to the City that would include quantitative measurements (for example, based on surveys, third-party studies or internal quality control programs) of the quality of Contractor's performance for significant customer service metrics and other contractual obligations. The City and Contractor would address and resolve any performance deficiencies that may be identified in the report in the manner described in Section 5.q.
5. Except as described above, the other terms and conditions of the Collection Agreement would remain in full force and effect and be binding on the parties.

I look forward to meeting with you at your convenience to discuss this matter.

Thank you for your continued confidence in Waste Management, we are grateful for the opportunity to invest in the future of Lodi and the beginning of a new sports tradition.

Please feel free to contact me at your convenience on my Cellular, 209 481-0161 or my direct landline 209 333-5610.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas A. Sanchez', written in a cursive style.

Thomas A Sanchez

CC: Jim Rodems, City of Lodi
Alex Oseguera, Waste Management, Area Vice President

J-2

Randi Johl

From: Randi Johl
Sent: Wednesday, April 07, 2010 11:10 AM
To: 'Julie Coldani'
Cc: City Council; Blair King; Steve Schwabauer; Jeff Hood
Subject: RE: Grape Bowl

Thank you for your email. It was received by the City Council and forwarded to the City Manager's office for information, response and/or handling.

Randi Johl, City Clerk

From: Julie Coldani [<mailto:julie.coldani@gmail.com>]
Sent: Wednesday, April 07, 2010 11:03 AM
To: Randi Johl
Subject: Grape Bowl

Dear Mayor and City Council Members

My name is Julie Fuhrman; I live at 1909 Mimosa Lodi, CA 95242. I am writing in support of the renovation of the Lodi Grape Bowl and Waste Managements proposal to invest \$1,000,000.00 into the renovation of the Lodi Grape Bowl.

I have lived in and around Lodi for 30 years and have had the pleasure of participating on the Grape Bowl turf as an athlete and have shared many memorable moments as a spectator during graduation ceremonies, football games, band reviews, professional soccer match, and concerts.

The Grape Bowl is an icon in this City; I strongly request Council support of the Waste Managements proposal to invest \$1,000,000 and the renovation of the stadium.

Sincerely,

Julie Fuhrman

04/07/2010

J-2

Randi Johl

From: Randi Johl
Sent: Wednesday, April 07, 2010 10:21 AM
To: 'Alexis Sanchez-Ward'
Cc: City Council; Blair King; Steve Schwabauer; Jeff Hood
Subject: RE: in support of the renovation of Grape bowl and Waste Managements proposal

Thank you for your email. It was received by the City Council and forwarded to the City Manager's office for information, response and/or handling.

Randi Johl, City Clerk

From: Alexis Sanchez-Ward [mailto:lubbys1981@yahoo.com]
Sent: Tuesday, April 06, 2010 4:44 PM
To: Randi Johl
Subject: in support of the renovation of Grape bowl and Waste Managements proposal

April, 6, 2010

Ms. Randi Johl, City Clerk

City of Lodi

221 W. Pine Street

Lodi, CA 95240

cityclerk@lodi.gov

Dear Mayor and City Council Members

My name is Alexis Ward, I live at 1240 South Pleasant Ave. Lodi, CA 95240. I am writing in support of the renovation of the Lodi Grape Bowl and Waste Managements proposal to invest \$1,000,000.00 into the renovation of the Lodi Grape Bowl.

I have lived in Lodi all my life and have shared many memorable moments as a spectator in the Grape Bowl watching family and friends, cheering for them while competing in football games and band reviews, walking through graduation ceremonies and supporting the Central Valley Hydra play their first professional soccer match in the Grape Bowl.

04/07/2010

The Grape Bowl is an icon and a tradition in this City, I strongly request Council support of the Waste Managements proposal to invest \$1,000,000.00 to renovate the Lodi Grape Bowl.

Sincerely,

Alexis Ward

04/07/2010

Robin Burcell

Lodi, CA 95242

April 6, 2010

To the Lodi City Council

Re: The donation to City of Lodi for the Grape Bowl

I am writing in support of the donation by Waste Management for the Grape Bowl, which has been in need of updating and refurbishing for many years. The Grape Bowl is really at the heart of the city when it comes to the things that make Lodi a great community to live. Families and friends congregate there for games and graduations. The Grape Bowl should reflect the pride of the city for these events. We should show our children that we care enough to ensure that they are playing on a safe field and sitting on safe bleachers. Visitors to the game from other cities would also take notice that Lodi values its future assets, the children who will be using the Grape Bowl.

Respectfully,

Robin Burcell

Dear Council Members,

My family is excited that Waste Management has so graciously pledged 1 million dollars to be used to renovate the Grape Bowl. The Grape Bowl is a proud example of Lodi's history that has been enjoyed by many generations of Lodians and should be enjoyed by many future generations. It serves as a gathering point for community events, such as concerts, as well as being the home field for Lodi High Flames. Our daughter is a cheerleader for Lodi High, and is sporting activities that give our children the ability to understand teamwork and prepare to be the future generations that will govern Lodi.

The offer from Waste Management to provide the funds needed for renovations is a gift beyond measure. We know the renovation has long been a topic of Lodi government and society. We urge you to accept this gift, because it is a gift that can benefit all who live in Lodi.

Thank you for your consideration,

Christina and Ashton Gorman

It was the last game of the football season and right after half-time, my senior cheerleader went running off the field crying. She was saying through her sobs, **"This is my last game and I couldn't hear the music, so I was off count, I was horrible and I can't believe this was my last football performance for high school ever!"** My cheerleaders as well as drill members put in countless hours of practice to prepare for their special 'on time' performances.

I'm sure this is something she won't forget. High school memories indelibly stay with most of us forever.

I can't count how many times I have fielded complaints from parents about the state of our Grape Bowl stadium, the horrible sound system, the uncomfortable seating, dirt access from the back and a hill, in the front, that sends most of gasping for breath. The snack bar is placed in a way that the line it forms blocks access in the walkway and the bathrooms, well they're just pathetic.

Lodi is very proud and is always trying to improve and upgrade the city, but the stadium has been left unattended. We travel to other schools and see their state of the art facilities and then it's a shame to have visitors come to ours.....

This is a place for our children and our grandchildren and the Stadium is overdue for a facelift.

Waste Management is a company that has always been charitable to this community and they have chosen a worthy project for their generous donation. I hope that you consider this carefully. Thank you.

Dyan Yanez
cheer adviser, Lodi High

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APR 8 2010

City Clerk
City of Lodi

Ms. Randi Johl
cityclerk@lodi.gov

City Clerk

City of Lodi

221 W. Pine Street

Lodi, CA 95240

Dear Mayor and City Council Members

My name is Mark Pinheiro; I live at 2722 SEGUNDA ST, CA 95242. I am writing in support of the renovation of the Lodi Grape Bowl and Waste Managements proposal to invest \$1,000,000.00 into the renovation of the Lodi Grape Bowl.

I have lived in and around Lodi for 35 and have had the pleasure of participating on the Grape Bowl ~~turf~~ as an athlete and have shared many memorable moments as a spectator during graduation ceremonies, football games, band reviews, professional soccer match, and concerts.

The Grape Bowl is an icon in this City; I strongly request Council support of the Waste Managements proposal to invest \$1,000,000 and the renovation of the ~~stadium~~.

Sincerely,

Mark Pinheiro